

COMMONWEALTH OF PUERTO RICO  
PUERTO RICO ELECTRIC POWER AUTHORITY

THIRD AMENDMENT

PROFESSIONAL SERVICES CONTRACT

2020-P00049 C

APPEAR

**AS FIRST PARTY:** The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended (Act 83), represented in this act by its Executive Director, Efran Paredes Maisonet, of legal age, married and resident of Bayamón, Puerto Rico. -----

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**AS SECOND PARTY:** AON Risk Solutions of Puerto Rico, Inc. (Consultant), a corporation organized and existing under the laws of Puerto Rico, represented in this act by its President and Chief Executive Officer, Eduardo Criado Gierbolini, of legal age, married, and resident of San Juan, Puerto Rico, authorized by virtue of Corporate Resolution dated June 29, 2020. -----

Both PREPA and Consultant are herein individually referred to as a "Party" and collectively referred to as the "Parties". -----

WITNESSETH

In consideration of the mutual covenants and agreements contained in this Amendment, hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows: -----

**STATE**

WHEREAS: PREPA, by virtue of Act 83, has the authority to engage those professional, technical and consulting services necessary and convenient for its activities, programs, and operations. -----

WHEREAS: The appearing Parties executed Professional Services Contract 2020-P00049 (Contract) on November 14, 2019, for actuarial consulting services. The Contract had a maximum amount of two hundred and fifty thousand dollars (\$250,000) through June 30, 2020. -----

WHEREAS: On May 26, 2020 the parties signed the First Amendment of the Contract to add the Liability Clause that was not included. -----

WHEREAS: On June 30, 2020 the parties signed the Second Amendment of the Contract to extend its term from July 1, 2020 to June 30, 2021 with a maximum amount of two hundred and ten thousand dollars (\$210,000) for Fiscal Year 2020-2021 for a total contract amount of four hundred sixty thousand dollars (\$460,000). -----

WHEREAS: PREPA has and is in a continuing need of information to comply with all aspects of Title III and Fiscal Oversized and Management Board for Puerto Rico (FOMB) Fiscal Plan affairs. In addition to these needs, more have been generated as a result of the recently entered Operations and Maintenance Agreement ("OMA") between PREPA and LUMA Energy (LUMA). Also PREPA's transition to LUMA requires an Employment Retirement System analysis, task that has been delivered by the Consultant. This

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additional support requires additional tasks working hours to performed the work and had an increase the estimated budget for Fiscal Year 2020-2021. -----

THEREFORE: In order to continue receiving the Consultant's services the Parties hereby agree to enter into this Third Amendment under the following: -----

**TERMS AND CONDITIONS**

**FIRST:** The Parties agree to amend the Article 1, Scope of Services, to add the following tasks: -----

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1. Consulting services related to the LUMA transition, including modeling of the impact on plan participants related to the transition; -----
  2. Employee communication support related to retirement benefit education and retirement plan choices; -----
  3. Coordination with ERS and the FOMB for actuaries including reconciling differences in data assumptions, methods used in determining the pension funded status and required contributions. -----

**SECOND:** The Parties agree to amend the Article 6, Payment, to increase the Contract Amount by two hundred and fifty thousand dollars (\$250,000). The Parties recognize that the total Contract Amount for Fiscal Year 2020-2021 will be four hundred sixty thousand dollars (\$460,000). The remaining language of Article 6, as amended, shall remain unaltered and fully enforceable. -----

All payments performed under this Amendment will be charged to PREPA's budget account number 01-4019-92319-556-673. -----

**THIRD:** The Parties agree to amend Article 6.3 Payment, to supersede and replace the Appendix A of the Contract. The new Appendix A is included as an Annex of this Third Amendment. The remaining language of Article 6, as amended, shall remain unaltered and fully enforceable. -----

**FOURTH:** As for the original Contract, Consultant will continue to comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Particularly, Act 237-2004, as amended, which establishes uniform contracting requirements for professional services. -----

 A. Consultant shall provide, at the execution date of this Third Amendment, the following documents: -----

1. Certificate issued by the Treasury Department of Puerto Rico which indicates that Consultant does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms. -----
2. An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant has filed his Income Tax Return for the last five (5) tax years. -----
3. Certificate issued by the Municipal Revenues Collection Center (MRCC), demonstrating that Consultant does not owe any tax. -----
4. Certificate issued by the Municipal Revenues Collection Center (MRCC), indicates that Consultant has filed the Personal Property Tax Return to such governmental

agency. -----

5. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness), or is paying such contributions by an installment plan and is in full compliance with its terms.-----
6. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (social security for chauffeurs), or is paying such contributions by an installment plan and is in full compliance with its terms.-----
7. Certificate issued by the Puerto Rico Child Support Administration (ASUME) assuring that Consultant is in compliance with the collection of child support payments. -----
8. A copy of the Merchant Registration Certificate. -----
9. Puerto Rico Sales and Use Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant is in compliance with it. -----
10. Good Standing Certificate issued by the State Department of Puerto Rico. -----

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Consequences of Non-Compliance

Consultant expressly agrees that the conditions outlined throughout this section are essential requirements of the Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render the Contract null and void. If any of the certifications listed in this Section A shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant hereby certifies that it has made such request at the time of the Amendment execution. If the requested review or adjustment is denied and such determination is final, Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every subcontractor, if any approved by PREPA, whose service Consultant has secured in connection with the Services to be rendered under the Contract and shall send evidence to PREPA as to its compliance with this requirement. -----

Pursuant to the Financial Oversight and Management Board's contract review policy (FOMB POLICY: REVIEW OF CONTRACTS, as modified on October 30, 2020), all proposed contracts with any governmental entity must include a certification (Contractor Certification Requirement) included as Attachment, in which the

contractor represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentations, inaccuracy or falseness in such Certification will render the contract null and void and the contractor will the obligation to reimburse immediately to PREPA any amounts, payments or benefits received from PREPA under this contract. -----

**FIFTH:** Consultant hereby agrees to comply with the provisions of Act 2-2018, known as the Anti-Corruption Code for the New Puerto Rico. -----

Consultant shall furnish a sworn statement to the effect that neither Consultant nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Consultant has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.-----

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse

of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

PREPA shall have the right to terminate this Contract in the event Consultant is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.-----

**SIXTH:** Consultant understands and agrees that PREPA is prohibited to process any payment under the Contract until the enumerated certifications are submitted to PREPA.

**SEVENTH:** The Parties agree that all other terms, conditions, specifications, stipulations, insurances, and requirements established in the Contract shall remain unaltered and fully enforceable. -----

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In WITNESS WHEREOF, the Parties hereto have agreed to execute this  
Third Amendment of the Contract in San Juan, Puerto Rico, on this 21 day of  
April, 2021. -----

Puerto Rico Electric Power Authority

  
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Efran Paredes Maisonet  
Executive Director  
Tax ID: 660-43-3747

AON Risk Solutions of Puerto Rico, Inc.

  
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Eduardo Criado Gierbolini  
President / Chief Executive Officer  
Tax ID: 660-27-4215

## Appendix A

Name/Credentials	Role	Level	2020 Hourly Billing Rate	2021 Hourly Billing Rate
Eric Atwater, FSA, EA	Co-Client Lead; Public Pension Expert; Peer Reviewer	Partner	\$756	\$784
Mark Meyer, JD, FSA	Co-Client Lead; Public Pension Expert; Primary Consultant	Partner	\$756	\$784
Brittany Erwin	Project Manager	Retirement Analyst	\$528	\$548
Benjamin Law, ASA, EA	Valuation Actuary; Final Technical Reviewer	Senior Retirement Consultant	\$632	\$692
Christine Giurato, ASA, EA	OPEB Valuation Actuary; Middle Reviewer	Retirement Consultant	\$604	\$624
Stephen Lambert-Oswald, FSA, EA	Retiree Medical Plan Specialist	Senior Consultant	\$536	\$576
Jason Rossiter, ASA	Pension Programming Set-Up	Retirement Associate	\$440	\$458
Emily Hayes	OPEB Programming Set-Up	Retirement Associate	\$328	\$396
Angela Werner	Administrative Assistant	Administrative Support	\$272	\$280
Michèle Whigham	Administrative Assistant	Administrative Support	\$272	\$280
John Sullivan	ALM Expert; Portfolio Specialist	Consultant	\$500	\$516
Ben Kirkland, FSA, EA	Pension Plan Design Specialist	Senior Consultant	\$604	\$624

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## CONTRACTOR CERTIFICATION

I, Eduardo Jose Criado Gierbolini, of legal age, married, in my capacity as Chief Executive Officer and President of Aon Risk Solutions of Puerto Rico, Inc. (hereinafter "the Contractor"), certify that:

1. The Contractor does not expect to retain the services of a subcontractor in connection with the proposed contract.
2. Neither the Contractor nor any of its owners, partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract.
3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
5. Neither the Contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the Contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.
7. I hereby certify under penalty of perjury that the foregoing is complete, true and correct.

By: *EDUARDO J. CRIADO*

Date: *Feb/15/2021*

Signature: 